

CITY OF BELLEVUE  
CITY COUNCIL

Summary Minutes of Extended Study Session

March 8, 2004  
6:00 p.m.

Council Conference Room  
Bellevue, Washington

PRESENT: Mayor Marshall, Deputy Mayor Noble, and Councilmembers Balducci, Chelminiak, Davidson, and Degginger

ABSENT: Councilmember Lee

1. Executive Session

Deputy Mayor Noble opened the meeting at 6:00 p.m. and announced recess to Executive Session for approximately one hour to discuss one item of pending litigation.

The Study Session resumed at 7:17 p.m. with Mayor Marshall presiding.

2. Oral Communications

- (a) Shannon Boldizar, Bellevue Chamber of Commerce, spoke on behalf of the joint transportation committee of the Chamber and Bellevue Downtown Association. The committee recommends using mobility management area (MMA) mapping instead of the current impact fee area mapping for determining impact fees [Agenda Item 3(f)], as recommended by City staff. The committee feels this is the most streamlined alternative that will not unnecessarily affect developers and businesses throughout the entire city.
- (b) Kevin Maxey encouraged Council to support the legalization of gay marriages.

3. Study Session

- (a) Council New Initiatives

No initiatives were introduced.

- (b) City Manager's Report

(1) Special Events Committee

City Manager Steve Sarkozy explained that the Special Events Code was enacted by Ordinance No. 4622 in 1993. A revision to the Special Events Code in 1994 through Ordinance No. 4714 called for the formation of a Special Events Committee to review proposed events and set conditions under which events balance business and residential community needs and the goals of event promoters while maintaining public health and safety.

Parks and Community Services Director Patrick Foran introduced Robin Haaseth, City employee and Chair of the Special Events Committee, and the following committee members in attendance: Mary Ellen Baker, Neal Christiansen, Jeanne Grote, Sharon Linton, and Ron Schiel. He acknowledged the extensive involvement of Ron Kessack from the Transportation Department on the committee as well.

Ms. Linton said the benefits of special events include opportunities for family and community activities, fundraising events for nonprofit agencies, cultural enrichment, economic vitality, and community pride. The Special Events Committee is responsible for reviewing special events applications, providing the opportunity for pre-event comments from the community, setting conditions for events, and providing the opportunity for post-event evaluation. The committee reviewed 22 applications of intent in 2003 and issued 17 special event permits.

Mr. Christiansen explained that members of the Special Events Committee are appointed by Council. The committee currently has 16 positions: one chair, four representatives from City departments, two agency representatives (Metro and East King County Convention and Visitors Bureau), two event promoters, and seven community members. There are currently four vacancies on the committee.

Mr. Christiansen said the committee recommends adding a Planning and Community Development staff representative and a downtown business representative, and removing the EKCCVB position since the agency no longer exists. The downtown business representative would be someone from Bellevue Chamber of Commerce or Bellevue Downtown Association, and the committee proposes rotating between these two organizations every other year. So far in 2004, 22 applications for major events have been received. Proposed new events include Paradiso (a cinema in the park), a jazz festival in Ashwood Park, and a Chinese dragonboat race at Newcastle Beach.

Councilmembers commended the committee for its work. Responding to Councilmember Balducci, Ms. Haaseth said some new committee members were appointed in September and recruitment efforts to fill the remaining vacancies continue through *It's Your City* and the City's web site.

Mayor Marshall noted that Council action on the proposal to change the committee's membership is scheduled for March 15.

(2) Kamber Road Update

Nora Johnson, Transportation Assistant Director, recalled that the City had asked the State to evaluate the integrity of the pipeline under Kamber Road. The City received a letter on February 3 from the Washington Utilities and Transportation Commission concluding that the pipeline is safe and “should allow for construction in the vicinity under carefully controlled conditions.” Major construction work to be completed in 2004 includes the repair of a manhole (King County Metro) damaged by relocation of the pipeline and Qwest’s work on conduits, vaults, and fiber networks. Pavement repairs are scheduled for late April/May. Council action on the construction award for future roadway and culvert reconstruction is scheduled for February 2005.

Responding to Dr. Davidson, Mr. Sarkozy explained that anyone working in the public right-of-way is potentially liable for actions they take or problems they cause.

Responding to Mr. Chelminiak, Ms. Johnson said the City’s consultant also reviewed the reports cited in the letter from the WUTC and concluded that the strain on the pipeline was not critical.

Ms. Balducci asked staff to respond to a letter from a citizen describing the periodic flooding on Richards Road and questioning why a bridge was not built as part of the new roadway. Utilities Director Lloyd Warren said the road will be less likely to flood with the new design. A bridge alternative was studied but rejected due to the extensive construction time that would be required and the cost of a bridge as well as the cost of relocating utilities. With the new road, flooding is anticipated to occur less than once a year.

Responding to Mr. Degginger, Ms. Johnson said Olympic Pipe Line Company continues to monitor the pipeline closely and is on site when any construction work is conducted.

(3) Access Downtown Update

Mr. Sarkozy noted the Access Downtown project update beginning on page 3-22 of the Council packet. The City recently received its second consecutive *Miracle of the Year* award from the Bellevue Downtown Association for its work on this project.

Dave Berg, Transportation Assistant Director, commended Ron Kessack for his role in keeping traffic moving during the Access Downtown project and Project Manager Rick Logwood for his work. Mr. Berg said the NE 2<sup>nd</sup> Street extension and the widening of NE 8<sup>th</sup> Street at 116<sup>th</sup> Avenue are complete. The widening of 112<sup>th</sup> Avenue NE and the SE 8<sup>th</sup> Street interchange are substantially complete. Project components yet to be completed are the NE 4<sup>th</sup> Street Structure and NE 6<sup>th</sup> Street Direct Access.

The approved project budget was \$164.5 million. However, the revised project budget is anticipated at \$139.2 million which represents a savings of \$31.3 million. Mr. Berg attributed the cost savings to an innovative and thorough design, an aggressive and creative construction contractor, a favorable bidding environment, and a strong project team composed of Bellevue, Sound Transit, and WSDOT staff.

The new ramp from NE 4<sup>th</sup> Street to southbound I-405 is scheduled to open on April 17, 2004. Full access to NE 4<sup>th</sup> Street will open on May 15, and westbound NE 8<sup>th</sup> Street to southbound I-405 will re-open by May 24. The contractor estimates project completion by January 2005, which is a year earlier than originally anticipated.

(4) Meydenbauer Center Expansion Planning

Planning and Community Development Director Matt Terry recalled previous discussions with Council regarding the future expansion of Meydenbauer Convention Center. He noted the important role of the Center in the local economy and as a venue for meetings and events. The need to expand the Center to remain competitive in the regional market has been demonstrated in previous presentations to Council. City staff has been exploring the potential for a financial partnership to explore the Center with the Port of Seattle, whose mission is to promote jobs and trade. Mr. Terry said staff proposes a joint feasibility study with the Port of Seattle to fully analyze the potential for an expansion partnership.

Dr. Davidson expressed support for the initiative and noted the Eastside provides significant tax support to the Port of Seattle. Mr. Noble concurred and encouraged staff to pursue the feasibility work. Mr. Chelminiak feels the proposed partnership will provide great benefits to the community.

Mayor Marshall said Meydenbauer Center represents the City's largest investment in economic development. The Center generates jobs and has provided approximately \$188 million in revenue. Mrs. Marshall supports the proposed partnership with the Port of Seattle.

(c) New City Building – Technology Update

Toni Cramer, Chief Information Officer, introduced Robert Fitzsimmons, President of RLF Enterprises, and John Hendricks, President of TechPMgroup. Both firms are assisting with the technology design for the New City Building. Technology goals for the new building are to replicate existing functionality at the least cost and risk, invest now to minimize costs and risks later, look for efficiencies in structuring investments, and stay within the budget. Technologies for the new building are divided and budgeted according to the following four projects: 1) core building systems, 2) information technology systems, 3) service delivery infrastructure, and 4) communications center systems.

Core building systems include the cable infrastructure, HVAC control system, 800 MHz radio antenna system, security system, fire alarm system, cell phone and pager support systems, lighting control systems, and wiring for work areas. Information technology systems include moving telephones, computer workstations, the specialty audio visual system, and data network/servers; Council Chambers adaptation; Emergency Operations Center (EOC) adaptation; and traffic monitoring adaptation. Optional information technology systems not currently included within the project scope and budget are cable TV system, wireless LAN, shared A/V support system, satellite TV distribution, radio frequency systems support, specialty A/V system for the main lobby, and ambient audio paging.

Service delivery infrastructure refers to how the building connects to the outside world and includes telephone services, data services, traffic control and monitoring signals, City of Bellevue private fiber network, CATV service, and telemetry signals. The Public Safety communications center contains numerous, complex systems. The overall budget for the four technology systems categories is approximately \$9.3 million.

Ms. Cramer said value engineering opportunities will be presented for Council discussion as they are identified. Preliminary scope and budget information will be available for the April and May project budget discussions. Technology Systems design development will continue through June, and optional technology systems will be evaluated on an ongoing basis.

Councilmember Degginger said Council has not yet been presented with budget reductions, and he is not interested in expanding the project scope or budget.

Mayor Marshall thanked staff for the presentation. She expressed support for the cable TV option at an estimated cost of \$90,000.

(d) Public Safety Wireless Project

Mr. Sarkozy opened discussion regarding a proposal to include Eastside Communications Center customers in the Public Safety Wireless Project. Police Chief Jim Montgomery introduced Jeff Blake, Director of Kirkland's Fire and Building Department and representative for Bellevue's Zone 1 communications center customers.

Ms. Cramer said the Public Safety Wireless Project provides the capability for wireless communication between Police and Fire apparatus and the Communications Center. The Automatic Vehicle Locator (AVL) tracks unit locations and allows for dispatch of the closest available apparatus.

Reporting on project status, Ms. Cramer said testing of the system will take place through March and April. The units will be installed in Police vehicles in May and in Fire vehicles in June. Final testing will occur in July, and the system will be activated in August.

Ms. Cramer said including Communications Center customers in the wireless project will streamline dispatch operations, assist Bellevue Fire Department operations, enhance Bellevue's regional leadership role, and provide better service to customers. Proposed participants are Kirkland Fire Department, Redmond Fire Department, Eastside Fire and Rescue, Woodinville Fire and Life Safety, Shoreline Fire Department, and Clyde Hill Police Department, which together represent 85 percent of all emergency incidents handled by the Communications Center.

The project schedule anticipates bringing the interlocal agreements and contract amendment to Council in mid-April. Participating agencies would relay payment to Bellevue in May. Equipment would be ordered in June and installed in September, followed by testing in October and activation in December. Ms. Cramer requested Council direction to proceed with preparing the contract amendment and interlocal agreements.

Mr. Blake expressed Kirkland's interest in entering into an interlocal agreement for participation in the Public Safety Wireless Project.

Responding to Mr. Chelminiak, Fire Chief Peter Lucarelli said all Eastside Communications Center customers would like to participate in the project but some cannot due to lack of funding. Staff is researching opportunities for grants to help these jurisdictions.

Responding to Dr. Davidson, Chief Montgomery said Bellevue is actively working with the cities of Kirkland and Mercer Island to reconfigure the Eastside Communications Center to accommodate their and others Police dispatch services.

Mayor Marshall noted Council consensus to proceed with the interlocal agreements.

(e) Update on 2004-2015 Transportation Facilities Plan (TFP)

Kris Liljeblad, Transportation Assistant Director, explained that City Code requires that the Transportation Facilities Plan is updated every two years. Eric Miller, Transportation Capital Programming Manager, described the programmatic environmental review conducted to prepare the Draft Environmental Impact Statement (DEIS) on the proposed 2004-2015 Transportation Facilities Plan. The DEIS was issued on March 4 and the comment period on the document extends through April 5. No significant impacts were identified in the report, and all mobility management areas (MMAs) are projected to meet LOS (level of service) standards through 2015.

The TFP is a financially constrained plan funded through the general Capital Investment Program (CIP), impact fees and developer contributions, transportation-dedicated revenues, and grants and other agencies. Mr. Miller discussed the availability of \$58.8 million in unconstrained revenue through 2015 for new projects, which represents a decrease of approximately \$22 million from 2001 projections. He reviewed maps depicting planned capacity and non-capacity projects as well as new projects.

Mr. Miller noted the next agenda item regarding TFP impact fees. Following the DEIS comment period, a final EIS will be prepared and published by May. Council will be asked to take action on the TFP and impact fee project list in May. If approved, Council will be asked to adopt the updated Impact Fee Schedule within six months as dictated by City Code.

Responding to Deputy Mayor Noble, Mr. Miller said the Transportation Commission supports the TFP and will prepare a formal recommendation for Council following the DEIS comment period.

(f) Impact Fee Calculation Methodology

Laurie Gromala, Transportation Assistant Director, recalled previous Council direction to staff to review the impact fee calculation methodology. Staff recommends maintaining the methodology but aligning the impact fee areas with the City's mobility management areas (MMAs).

Chris Dreaney, Development Review Manager, said the impact fee program was implemented in 1990 with the 1991-2002 Transportation Facilities Plan. Fees are collected from new development to help pay for needed capacity projects, and fees are updated with each revised TFP. The current impact fee schedule was adopted in November 2001, at which time Council directed staff to review the impact fee program and develop options for a simplified structure. Staff developed methodology alternatives and met with the Transportation Commission. In July 2003, staff recommended to Council a reduction in the number of impact fee areas from 13 to one. At that time, the Transportation Commission prepared a recommendation that impact fees be modified only by matching the impact fee area boundaries to MMA boundaries. The Commission's recommendation is provided on page 3-47 of the Council packet.

As further directed by Council, staff presented the options in focus group meetings with local businesses and at a joint transportation committee meeting of the Bellevue Downtown Association and Chamber of Commerce. The Chamber and the BDA support the Commission's recommendation to match impact fee area boundaries with MMA boundaries.

Ms. Dreaney explained that aligning impact fee areas with MMAs will cause an impact fee decrease of 8 percent for MMA 5, an increase of 16 percent for MMA 9 (\$168 for single family home), and an increase of 6 percent for MMA 6 (\$65 for single family home). There is little opportunity for single family development in MMAs 6 and 9. Staff recommends modifying impact fee areas to match MMA boundaries.

Responding to Mr. Chelminiak, Ms. Dreaney said staff has not calculated the revenue impact of decreasing impact fees for MMA 5. However, impact fees represent a very small portion (approximately 1 percent) of overall transportation funding.

- Deputy Mayor Noble moved to direct staff to align impact fee areas with mobility management areas as part of the 2004 update of the Transportation Facilities Plan, and Mr. Degginger seconded the motion.
- The motion to direct staff to align impact fee areas with mobility management areas as part of the 2004 update of the Transportation Facilities Plan carried by a vote of 5-1, with Dr. Davidson dissenting.

(g) Extension of Olympic Pipe Line Company Franchise Agreement

David Kerr, Franchise Manager, explained that the current franchise agreement with Olympic Pipe Line Company expires soon. Olympic has been reluctant to engage in franchise negotiations due to pending litigation with the City of Seattle. However, Olympic has agreed to extend the current franchise agreement for one year upon Council approval.

Responding to Mr. Degginger, Mr. Kerr said Olympic paid most of its franchise fee during the bankruptcy period except for \$6,000. The City has submitted a claim to recover the full amount due.

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Extension of the franchise agreement will be submitted for Council action next week. Mayor Marshall thanked Mr. Kerr for his ongoing good work.

At 9:15 p.m., Mayor Marshall declared the meeting adjourned.

Myrna L. Basich  
City Clerk

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